### Congress of the United States Washington, DC 20515

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July 19, 2011

The Honorable Julius Genachowski Chairman Federal Communications Commission 445 12<sup>th</sup> Street, SW Washington, D.C. 20554

Dear Mr. Chairman:

We are writing to express our concern regarding proposals to modify the Universal Service Fund (USF) and the intercarrier compensation (ICC) system currently being considered by the Federal Communications Commission (FCC).

Our country has made significant strides in linking small communities with urban communities and global markets through communications, and it is our strong belief that rural cooperatives and small commercial communications providers have played an integral role in providing quality service in hard-to-reach areas. However, we are concerned that some proposals under review by the FCC could have an impact on communications providers that serve rural constituents in our state. Telecommunication providers of all sizes will be expected to adapt and manage their investments and businesses to those new standards and rules. Consequently, we need proposals that strike a balance to protect the investments that have already occurred and to overhaul the programs. Not only could these new proposals have unintended consequences and undermine efforts to fortify broadband networks, such regulations could hurt job creation and economic opportunity. We need a policy that sustains recent success, not a strategy that could hamper investment in rural communities.

Small businesses are the backbone of our nation's economy and will lead the way to our country's economic recovery. Indeed, two out of every three jobs created in the U.S. are created by a small business. We have been impressed by small rural providers' continued efforts to invest in infrastructure, which is crucial to small businesses in creating jobs in rural America. We view their work as critical in ensuring that rural Americans are not left off the broadband super highway. Numerous studies have suggested that broadband allows businesses and individuals in rural America to live locally, while competing globally in an online environment.

As you know, the Telecommunications Act of 1996 requires that consumers in rural areas have access to advanced services and rates that are reasonably comparable to those available in urban areas. We believe that in order to achieve the goals of this Act, changes to the USF and ICC system must be made carefully and in a way that would enable carriers serving rural areas to sustain and improve upon affordable broadband where it already exists, to encourage deployment to unserved customers and not to harm rural customers who already have broadband service. Failing to meet these benchmarks would be a disservice to the constituents whom we represent, as well as all American taxpayers.

Each day, we meet with constituents from rural America whose lives are enhanced by access to broadband service. Without such service, they would fall behind in areas such as telemedicine, a form of health care that has helped increase fairness and quality of the distribution of services in rural areas, or in long distance education, where broadband can close the rural-urban education gap, increase education opportunities for rural residents, augment employment and boost communities' economic development.

We urge you and your colleagues to carefully consider the harm specific proposals could have on rural consumers in our state — and to remain mindful of fragile rural economies, while also promoting broadband adoption. We hope the Commission will take whatever steps are necessary to ensure that all rural consumers can look forward to readily available and affordable broadband services.

Thank you for your consideration, and we look forward to hearing from you.

Sincerely,

Blaine Luckemeyer

Member of Congress

Sam Graves

Member of Congress

ann Emerson

o Ann Emerson Member of Congress

Vicky Harteler

Member of Congress

CHAIRMAN

### FEDERAL COMMUNICATIONS COMMISSION

November 17, 2011

The Honorable Jo Ann Emerson U.S. House of Representatives 2230 Rayburn House Office Building Washington, D.C. 20515

Dear Congresswoman Emerson:

Thank you very much for your letters regarding the Commission's efforts to reform and modernize the Universal Service Fund (USF) and the intercarrier compensation system (ICC). Your thoughts and concerns were a valuable contribution to our process, and were considered as part of the Commission's deliberations.

On October 27, after many years of hard work on Capitol Hill, among the FCC's Commissioners, and by Commission staff, the Commission unanimously adopted a comprehensive Order overhauling the broken and backward-looking USF and ICC systems for the Internet age. By transitioning these programs to the Connect America Fund, we are delivering on our shared national goal of universal voice and broadband service – including universal mobile voice and broadband service – and enabling increased private sector investment in the indispensable infrastructure of the 21<sup>st</sup> century: broadband. Importantly, our reforms are fiscally responsible, eliminating waste and inefficiency, using market-based mechanisms to target support where it is needed, and putting the Fund on a firm budget.

The Commission's Order will create jobs beginning in 2012, and lay the foundation for enduring job creation, economic growth, and U.S. global competitiveness for years to come.

For your information, I am enclosing a copy of the Order's "Executive Summary." Please let me know if I can be of any further assistance.

Sincerely,

Julius Genachowski

### FEDERAL COMMUNICATIONS COMMISSION

November 17, 2011

The Honorable Sam Graves
U.S. House of Representatives
1415 Longworth House Office Building
Washington, D.C. 20515

Dear Congressman Graves:

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Julius Genachowski

### FEDERAL COMMUNICATIONS COMMISSION

November 17, 2011

The Honorable Vicky Hartzler U.S. House of Representatives 1023 Longworth House Office Building Washington, D.C. 20515

Dear Congresswoman Hartzler:

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Sincerely,

Julius Genachowski

### FEDERAL COMMUNICATIONS COMMISSION

November 17, 2011

The Honorable Blaine Luetkemeyer U.S. House of Representatives 1740 Longworth House Office Building Washington, D.C. 20515

Dear Congressman Luetkemeyer:

Thank you very much for your letter regarding the Commission's efforts to reform and modernize the Universal Service Fund (USF) and the intercarrier compensation system (ICC). Your thoughts and concerns were a valuable contribution to our process, and were considered as part of the Commission's deliberations.

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